

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT OF)	
WESTERN ROCKCASTLE WATER)	CASE NO. 6366-1
ASSOCIATION)	

O R D E R

On January 7, 1983, Western Rockcastle Water Association ("Western Rockcastle") filed its application with the Public Service Commission ("Commission") seeking authority to adjust its rates in accordance with 807 KAR 5:067, Purchased Water Adjustment Clause. The application contained several minor deficiencies which were requested to be corrected by Commission Order dated February 1, 1983. These deficiencies have been corrected and the record is complete.

The Commission, having reviewed the evidence of record and being advised, is of the opinion and finds that:

(1) Western Rockcastle's supplier, City of Mt. Vernon, increased the wholesale cost of water from \$.45 to \$.84 per 1,000 gallons, effective December 10, 1982.

(2) The statements of water purchased and sold by Western Rockcastle for the 12-month period ending November 30, 1982, show that its line loss is approximately 20 percent. After adjusting the line loss to the maximum of 15 percent allowed by the Commission, the total allowable increase in

purchased water costs is \$14,851.60, resulting in a purchased water adjustment in the amount of \$.46 per 1,000 gallons.

(3) The financial exhibits filed by Western Rockcastle indicate that it cannot absorb an increase of this magnitude in the wholesale cost of water.

(4) The rates proposed by Western Rockcastle and shown in Appendix A are fair, just and reasonable and should be approved.

IT IS THEREFORE ORDERED that the purchased water adjustment in the amount of \$.46 per 1,000 gallons and the rates in Appendix A be and they hereby are approved for service rendered on and after the date of this Order.

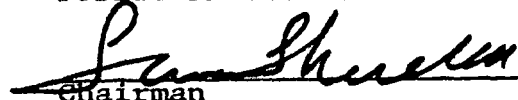
IT IS FURTHER ORDERED that for the purpose of future application of the purchased water adjustment clause of Western Rockcastle, the base rate for purchased water shall be:

<u>Supplier</u>	<u>Rate</u>
City of Mt. Vernon	\$.84 per 1,000 gallons

IT IS FURTHER ORDERED that within 30 days of the date of this Order, Western Rockcastle shall file with the Commission its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 1st day of March, 1983.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary

APPENDIX A

APPENDIX TO AN ORDER OF THE PUBLIC SERVICE COMMISSION IN CASE NO. 6366-1 DATED March 1, 1983.

The following rates are hereby prescribed for the customers of Western Rockcastle Water Association. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

GALLONAGE BLOCK

RATE

5/8-Inch Meter

First	2,000 Gallons	\$ 8.92 Minimum Bill
Next	3,000 Gallons	3.96 per 1,000 Gallons
Next	5,000 Gallons	2.96 per 1,000 Gallons
Next	40,000 Gallons	1.71 per 1,000 Gallons
Over	50,000 Gallons	1.46 per 1,000 Gallons

3/4-Inch Meter

First	3,000 Gallons	\$12.88 Minimum Bill
Next	2,000 Gallons	3.96 per 1,000 Gallons
Next	5,000 Gallons	2.96 per 1,000 Gallons
Next	40,000 Gallons	1.71 per 1,000 Gallons
Over	50,000 Gallons	1.46 per 1,000 Gallons

1-Inch Meter

First	5,000 Gallons	\$20.80 Minimum Bill
Next	5,000 Gallons	2.96 per 1,000 Gallons
Next	40,000 Gallons	1.71 per 1,000 Gallons
Over	50,000 Gallons	1.46 per 1,000 Gallons

1 1/2-Inch Meter

First	10,000 Gallons	\$35.60 Minimum Bill
Next	40,000 Gallons	1.71 per 1,000 Gallons
Over	50,000 Gallons	1.46 per 1,000 Gallons

2-Inch Meter

First	16,000 Gallons	\$45.86 Minimum Bill
Next	34,000 Gallons	1.71 per 1,000 Gallons
Over	50,000 Gallons	1.46 per 1,000 Gallons